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*Special Counsel to Richard A. Marshack, Plaintiff
and Trustee of the LPG Liquidation Trust*

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA - SANTA ANA DIVISION

In re:

THE LITIGATION PRACTICE GROUP P.C.,

Debtor.

Case No. 8:23-bk-10571-SC

Chapter 11

Adv. Proc. No. 8:23-ap-01148-SC

**DECLARATION OF JOSHUA R. TEEPLE
IN SUPPORT OF PLAINTIFF RICHARD A.
MARSHACK, LIQUIDATING TRUSTEE'S
SUPPLEMENTAL BRIEF**

RICHARD A. MARSHACK,
Chapter 11 Trustee,

Plaintiff,

v.

JGW SOLUTIONS LLC,

Defendant.

Judge: Hon. Scott C. Clarkson

I, Joshua R. Teeple, declare:

1. I am a Certified Public Accountant, Certified Fraud Examiner and a Certified in
Financial Forensics. I am a co-founder of the public accounting firm Grobstein Teeple, LLP ("GT"),

1 Accountants for Richard A. Marshack, the former Chapter 11 Trustee for the bankruptcy estate
2 (“Estate”) of debtor The Litigation Practice Group P.C. (“Debtor” or “LPG”) and current liquidating
3 trustee of the LPG Liquidation Trust (collectively, “Trustee” or “Plaintiff”). As such, except as
4 expressly stated otherwise, I have personal knowledge of the facts set forth below and could and
5 would competently testify under oath thereto if requested to do so.

6 2. I submit this Declaration in support of Trustee’s Supplemental Brief in support of his
7 Motion for Summary Judgment (“Brief”), which I have reviewed.

8 3. The facts set forth below are true based on (a) my personal knowledge or (b) Debtor’s
9 books and records¹ (“Financial Records”). Neither I nor GT have audited, reviewed, or otherwise
10 examined, as defined by the American Institute of Certified Public Accountants, Debtor’s books and
11 records and disclaim any opinion as to their accuracy or completeness.

12 4. I have also reviewed the Declaration of Brad Lee (“Lee”) filed in support of this Brief
13 (“Lee Declaration”). Finally, I have reviewed the Declaration of Tony Diab (“Diab”) filed in support
14 of this Brief (“Diab Declaration”).

15 5. Based on GT’s analysis of Debtor’s Financial Records and explanations as detailed
16 in the Lee Declaration and Diab Declaration, the ACH debits Debtor collected from consumers were
17 either deposited directly into Debtor’s operating accounts or diverted to non-debtor entities from
18 ACH processing or other companies, including, but not limited to, Validation Partners, LLC
19 (“Validation Partners”), Coast Processing (“Coast Processing”), BAT d/b/a Coast Processing (also
20 “Coast Processing”), Vulcan Consulting Group (“Vulcan”), Maverick Management Group LLC
21 (“Maverick”), CLG Processing (“CLG”), World Global Fund LLC’s (“World”), Oakstone Legal
22 Group, PC (“Oakstone”), Phoenix Law, PC (“Phoenix”), Prime Logix, LLC (“Prime Logix”), LGS
23 Holdco, LLC (“LGS”), EPPS, PECC, EquiPay, Merit Fund, Authorize.net, World Global, Optimum
24 Bank (“Optimum”), BankUnited, Marich Bein, Revolv3, FIS, BCB Bank, and Guardian to be later
25 deposited into Debtor’s bank accounts or paid out to Debtor’s marketing affiliates or for other
26 business expenses or non-business personal expenses.

27 ///

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¹ Which are inclusive of non-debtor bank statements and enclosures.

1 6. As explained in the Lee Declaration and Diab Declaration, Lee and Diab also
2 instructed the above referenced ACH processing or other companies, investors, file purchasers and
3 other individuals involved with the Debtor's business operations to divert Debtor's proceeds into
4 the other ACH processing or other companies accounts instead of directly into Debtor's accounts.
5 Thereafter, the above referenced ACH processors or other companies, investors, file purchasers and
6 other individuals involved with the Debtor's business operations would be instructed to either
7 deposit a portion of those funds into Debtor's bank accounts or to directly pay Debtor's other
8 business expenses or non-business personal expenses.

9 7. As further explained in the Lee Declaration and Diab Declaration, the above
10 mentioned companies used the incoming proceeds interchangeably between the companies for
11 Debtor's purposes at Diab's direction because these were all Debtor's proceeds despite which
12 account they were diverted to or from.

13 8. The above explanations by Lee and Diab, and as further detailed in the Lee
14 Declaration and Diab Declaration, regarding the treatment and transfer of Debtor's funds appear to
15 be corroborated by the transactions reflected in Debtor's Financial Records.

16 9. GT was instructed to trace the source of funds related to thirty-two (32) specific
17 banking transactions to identify and/or determine the source of those funds and whether those
18 transactions were funded with money originating from the Debtor's bank accounts and/or Debtor's
19 business activities.

20 10. Of these thirty-two (32) transactions ("Transactions"), six (6) were ultimately
21 determined by GT to be duplicative, resulting in twenty-six (26) unique transactions to be traced by
22 GT. Attached hereto as Exhibit 1 is the Transaction Summary List ("Summary") which details the
23 Transactions.

24 11. The following is an explanation of the Summary detailing each of the Transactions:

25 a. Transaction #1: payment to JGW Solutions LLC ("JGW") in the amount of
26 \$179,229.82. On March 17, 2023, JGW received \$179,229.82 from Maverick bank account
27 ending in 0496 ("Maverick 0496") held at Optimum. Debtor's Financial Records show that
28 Maverick 0496 was funded primarily with two deposits originating from CLG on March 15,

1 2023 and March 17, 2023 in the amounts of \$100,000.00 and \$450,000.00 respectively.
2 Attached hereto as Exhibit 2 is the JGW tracing analysis prepared by GT. As explained in
3 the Diab Declaration, Diab transferred or sold approximately 15,000 LPG client files to
4 Oakstone, 12,000 LPG files to CLG, and the remaining LPG files, approximated at slightly
5 less than 40,000, to Phoenix. Pursuant to the asset purchase agreement between LPG and
6 CLG, Diab instructed CLG to deposit a portion of the funds generated by these sales into
7 Maverick 0496.

8 b. Transaction #2: payment to JGW in the amount of \$179,229.82. This
9 transaction appears to be duplicative of Transaction #1.

10 c. Transaction #3: payment to Clear Vision Financial LLC (“Clear Vision”) in
11 the amount of \$80,099.69. On March 17, 2023, Clear Vision received \$80,099.69 from
12 Maverick 0496 which appears to be primarily funded with Debtor assets as previously noted.
13 Attached hereto as Exhibit 3 is the Clear Vision tracing analysis prepared by GT.

14 d. Transaction #4: payment to Clear Vision in the amount of \$294.82. On March
15 17, 2023, Clear Vision received \$294.82 from Maverick 0496 which appears to be primarily
16 funded with Debtor assets as previously noted. See Exhibit 3.

17 e. Transaction #5: payment to Leucadia Enterprises, Inc. (“Leucadia”) in the
18 amount of \$875.43. On March 17, 2023, Leucadia received \$875.43 from Maverick 0496
19 which appears to be primarily funded with Debtor assets as previously noted. Attached
20 hereto as Exhibit 4 is the Leucadia tracing analysis prepared by GT.

21 f. Transaction #6: payment to Leucadia in the amount of \$22,052.86. On
22 December 2, 2021, Leucadia received \$22,052.86 from Coast Processing bank account
23 ending in 6738 (“Coast 6738”) held at Optimum. Debtor’s Financial Records provided to
24 GT show that Coast 6738 was funded primarily with a deposit originating from World’s
25 bank account ending in 6134 (“World 6134”) held at Optimum on December 2, 2021 in the
26 amount of \$540,000.00. Based on GT’s analysis of World 6134, it appears that most of the
27 incoming funds originated with the Debtor. For example, during the period November 26,
28 2021 to December 2, 2021, 100% of the funds deposited into World 6134 totaling

1 \$2,544,174.26 originated from Debtor bank accounts. Attached hereto as Exhibit 5 and
2 Exhibit 5a are the Leucadia tracing analyses prepared by GT.

3 g. Transaction #7: payment to Leucadia in the amount of \$21,400.82. On
4 November 26, 2021, Leucadia received \$21,400.82 from Coast 6738. On that day, Coast
5 6738 was funded primarily with a deposit originating from World 6134 in the amount of
6 \$500,000.00. On November 26, 2021, 100% of the funds deposited into World 6134
7 originated from Debtor bank accounts. Attached hereto as Exhibit 6 and Exhibit 6a are the
8 Leucadia tracing analyses prepared by GT.

9 h. Transaction #8: payment to Leucadia in the amount of \$20,153.63. On
10 November 18, 2021, Leucadia received \$20,153.63 from Coast 6738. During the relevant
11 time period, Coast 6738 was funded primarily with two deposits originating from World
12 6134 on November 17, 2021 and November 18, 2021 in the amounts of \$150,000.00 and
13 \$300,000.00, respectively. During the period November 17, 2021 to November 18, 2021,
14 approximately 86% of the funds deposited into World 6134 originated from Debtor bank
15 accounts. Attached hereto as Exhibit 7 and Exhibit 7a are the Leucadia tracing analyses
16 prepared by GT.

17 i. Transaction #9: payment to Leucadia in the amount of \$14,810.80. On
18 November 12, 2021, Leucadia received \$14,810.80 from Coast 6738. On that day, Coast
19 6738 was funded primarily with a deposit originating from World 6134 in the amount of
20 \$900,000.00. On November 12, 2021, approximately 55% of funds deposited into World
21 6134 originated from Debtor bank accounts. Attached hereto as Exhibit 8 and Exhibit 8a are
22 the Leucadia tracing analyses prepared by GT.

23 j. Transaction #10: payment to Leucadia in the amount of \$22,385.90. On
24 November 5, 2021, Leucadia received \$22,385.90 from Coast 6738. On that day, Coast 6738
25 was funded primarily with a deposit originating from World 6134 in the amount of
26 \$700,000.00 and with a deposit originating from Validation Partners in the amount of
27 \$244,950.00. During the period November 1, 2021 to November 5, 2021, approximately
28 97% of funds deposited into World 6134 originated from Debtor bank accounts. Attached

1 hereto as Exhibit 9 and Exhibit 9a are the Leucadia tracing analyses prepared by GT. Based
2 on the Diab Declaration, pursuant to an asset purchase agreement between the Debtor and
3 Validation Partners, funds generated by Validation partners that were related to the Debtor's
4 client files sold to Validation Partners would be diverted at the direction of Diab to Coast
5 Processing.

6 k. Transaction #11: payment to Leucadia in the amount of \$15,866.79. On
7 October 26, 2021, Leucadia received \$15,866.79 from Coast 6738. On that day, Coast 6738
8 was funded primarily with a deposit originating from World 6134 in the amount of
9 \$380,000.00. During the period October 15, 2021 to October 26, 2021, approximately 96%
10 of funds deposited into World 6134 originated from Debtor bank accounts. Attached hereto
11 as Exhibit 10 and Exhibit 10a are the Leucadia tracing analyses prepared by GT.

12 l. Transaction #12: payment to Leucadia in the amount of \$23,411.86. On
13 October 14, 2021, Leucadia received \$23,411.86 from Coast 6738. During the relevant time
14 period, Coast 6738 was funded primarily with two deposits originating from World 6134 on
15 October 13, 2021 and October 14, 2021, in the amounts of \$800,000.00 and \$345,000.00,
16 respectively. During the period October 8, 2021 to October 14, 2021, approximately 77% of
17 funds deposited into World 6134 originated from Debtor bank accounts. Attached hereto as
18 Exhibit 11 and Exhibit 11a are the Leucadia tracing analyses prepared by GT.

19 m. Transaction #13: payment to Leucadia in the amount of \$19,912.16. On
20 October 7, 2021, Leucadia received \$19,912.16 from Coast 6738. On that day, Coast 6738
21 was funded primarily with a deposit originating from World 6134 in the amount of
22 \$600,000.00. During the period September 3, 2021 to October 7, 2021, approximately 91%
23 of funds deposited into World 6134 originated from Debtor bank accounts. Attached hereto
24 as Exhibit 12 and Exhibit 12a are the Leucadia tracing analyses prepared by GT.

25 n. Transaction #14: payment to Leucadia in the amount of \$28,575.37. On
26 October 1, 2021, Leucadia received \$28,575.37 from Coast 6738. On that day, Coast 6738
27 was funded primarily with deposits from Coast's bank account ending in 6712 ("Coast
28 6712") held at Optimum, World 6134, and a Debtor bank account in the amounts of

1 \$250,000.00, \$250,000.00, and \$12,708.71 respectively. Also on October 1, 2021, 100% of
2 the funds deposited into Coast 6712 originated from World 6134. During the period
3 September 3, 2021 to October 1, 2021, approximately 90% of funds deposited into World
4 6134 originated from Debtor bank accounts. Attached hereto as Exhibit 13, 13a, Exhibit 13b,
5 and Exhibit 13c are the Leucadia tracing analyses prepared by GT.

6 o. Transaction #15: payment to Leucadia in the amount of \$875.43. This
7 transaction appears to be duplicative of Transaction #5.

8 p. Transaction #16: payment to Perfect Financial LLC (“Perfect”) in the amount
9 of \$42,057.46. On March 20, 2023, Perfect received \$42,057.46 from Maverick 0496 which
10 appears to be primarily funded with Debtor assets as previously noted. Attached hereto as
11 Exhibit 14 is the Perfect tracing analysis prepared by GT.

12 q. Transaction #17: payment to Perfect in the amount of \$778.86. On March 17,
13 2023, Perfect received \$778.86 from Maverick 0496 which appears to be primarily funded
14 with Debtor assets as previously noted. Attached hereto as Exhibit 15 is the Perfect tracing
15 analysis prepared by GT.

16 r. Transaction #18: payment to Perfect in the amount of \$42,057.46. This
17 transaction appears to be duplicative of Transaction #16.

18 s. Transaction #19: payment to Perfect in the amount of \$778.86. This
19 transaction appears to be duplicative of Transaction #17.

20 t. Transaction #20: payment to Point Break Holdings LLC (“Point Break”) in
21 the amount of \$182,072.09. On March 17, 2023, Point Break received \$182,072.09 from
22 Maverick 0496 which appears to be primarily funded with Debtor assets as previously noted.
23 Attached hereto as Exhibit 16 is the Point Break tracing analysis prepared by GT.

24 u. Transaction #21: payment to Point Break in the amount of \$100,000.00. On
25 March 1, 2023, Point Break received \$100,000.00 from Prime Logix’s bank account ending
26 in 9201 (“Prime Logix 9201”) held at Bank of America. Debtor’s Financial Records
27 provided to GT show that Logix 9201 was funded primarily with a deposit originating from
28 LGS on February 28, 2023 in the amount of \$500,000.00. Attached hereto as Exhibit 17 is

1 the Point Break tracing analysis prepared by GT. Based on the Diab Declaration, LPGs
2 receivables “were the primary, if not exclusive source of funds” for LGS and that such funds
3 were diverted at the direction of Diab from the Debtor to Prime Logix.

4 v. Transaction #22: payment to Point Break in the amount of \$9,211.51. On
5 December 2, 2021, Point Break received \$9,211.51 from Coast 6738. On that day, Coast
6 6738 was funded primarily with a deposit originating from World 6134 in the amount of
7 \$540,000.00. During the period November 26, 2021 to December 2, 2021, 100% of funds
8 deposited into World 6134 originated from Debtor bank accounts. Attached hereto as Exhibit
9 18 and Exhibit 18a are the Point Break tracing analyses prepared by GT.

10 w. Transaction #23: payment to Point Break in the amount of \$8,214.35. On
11 November 26, 2021, Point Break received \$8,214.35 from Coast 6738. On that day, Coast
12 6738 was funded primarily with a deposit originating from World 6134 in the amount of
13 \$500,000.00. On November 26, 2021, 100% of funds deposited into World 6134 originated
14 from Debtor bank accounts. Attached hereto as Exhibit 19 and Exhibit 19a are the Point
15 Break tracing analyses prepared by GT.

16 x. Transaction #24: payment to Point Break in the amount of \$5,300.41. On
17 November 18, 2021, Point Break received \$5,300.41 from Coast 6738. During the relevant
18 time period, Coast 6738 was funded primarily with deposits originating from World 6134
19 on November 17, 2021 and November 18, 2021 in the amounts of \$150,000.00 and
20 \$300,000.00, respectively. During the period November 17, 2021 to November 18, 2021,
21 approximately 86% of funds deposited into World 6134 originated from Debtor bank
22 accounts. Attached hereto as Exhibit 20 and Exhibit 20a are the Point Break tracing analyses
23 prepared by GT.

24 y. Transaction #25: payment to Point Break in the amount of \$9,380.27. On
25 November 12, 2021, Point Break received \$9,380.27 from Coast 6738. On that day, Coast
26 6738 was funded primarily with a deposit originating from World 6134 in the amount of
27 \$900,000.00. On November 12, 2021, approximately 55% of funds deposited into World
28

1 6134 originated from Debtor bank accounts. Attached hereto as Exhibit 21 and Exhibit 21a
2 are the Point Break tracing analyses prepared by GT.

3 z. Transaction #26: payment to Point Break in the amount of \$3,929.36. On
4 November 5, 2021, Point Break received \$3,929.36 from Coast 6738. On that day, Coast
5 6738 was funded primarily with a deposit originating from World 6134 in the amount of
6 \$700,000.00 and with a deposit originating from Validation Partners in the amount of
7 \$244,950.00, which is funded by Debtor assets as previously stated. During the period
8 November 1, 2021 to November 5, 2021, approximately 97% of funds deposited into World
9 6134 originated from Debtor bank accounts. Attached hereto as Exhibit 22 and Exhibit 22a
10 are the Point Break tracing analyses prepared by GT.

11 aa. Transaction #27: payment to Point Break in the amount of \$3,135.27. On
12 October 21, 2021, Point Break received \$3,135.27 from Coast 6738. On that day, Coast 6738
13 was funded primarily with a deposit originating from World 6134 in the amount of
14 \$375,000.00. During the period October 15, 2021 to October 21, 2021, approximately 94%
15 of funds deposited into World 6134 originated from Debtor bank accounts. Attached hereto
16 as Exhibit 23 and Exhibit 23a are the Point Break tracing analyses prepared by GT.

17 bb. Transaction #28: payment to Point Break in the amount of \$2,470.32. On
18 October 14, 2021, Point Break received \$2,470.32 from Coast 6738. During the relevant
19 time period, Coast 6738 was funded primarily with deposits originating from World 6134
20 on October 13, 2021 and October 14, 2021 in the amounts of \$800,000.00 and \$345,000.00
21 respectively. During the period October 8, 2021 to October 14, 2021, approximately 77% of
22 funds deposited into World 6134 originated from Debtor bank accounts. Attached hereto as
23 Exhibit 24 and Exhibit 24a are the Point Break tracing analyses prepared by GT.

24 cc. Transaction #29: payment to Point Break in the amount of \$256.52. On
25 October 7, 2021, Point Break received \$256.52 from Coast 6738. On that day, Coast 6738
26 was funded primarily with a deposit originating from World 6134 in the amount of
27 \$600,000.00. During the period September 3, 2021 to October 7, 2021, approximately 91%
28


1 of funds deposited into World 6134 originated from Debtor bank accounts. Attached hereto
2 as Exhibit 25 and Exhibit 25a are the Point Break tracing analyses prepared by GT.

3 dd. Transaction #30: payment to Point Break in the amount of \$512.42. On
4 September 30, 2021, Point Break received \$512.42 from Coast 6738. During the relevant
5 time period, Coast 6738 was funded primarily with deposits originating from Coast 6712 on
6 September 29, 2021 and World 6134 on September 30, 2021 in the amounts of \$500,000.00
7 and \$250,000.00 respectively. On September 29, 2021, 100% of the funds deposited into
8 Coast 6712 originated from World 6134. During the period September 3, 2021 to September
9 30, 2021, approximately 89% of funds deposited into World 6134 originated from Debtor
10 bank accounts. Attached hereto as Exhibit 26, Exhibit 26a, and Exhibit 26b are the Point
11 Break tracing analyses prepared by GT.

12 ee. Transaction #31: payment to Point Break in the amount of \$182,072.09. This
13 transaction appears to be duplicative of Transaction #20.

14 ff. Transaction #32: payment to Point Break in the amount of \$100,000.00. This
15 transaction appears to be duplicative of Transaction #21.

16 I declare under penalty of perjury under the laws of the United States of America that the
17 foregoing is true and correct.

18 
19 Joshua Teeple

20
21 Dated: March 3, 2025
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23
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28

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
101 S. Fifth Street, Suite 2500, Louisville, Kentucky 40202

A true and correct copy of the foregoing document entitled (*specify*):

DECLARATION OF JOSH TEEPLE IN SUPPORT OF SUPPLEMENT BRIEF

will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) March 3, 2025, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Sarah S. Mattingly on behalf of Plaintiff Richard A. Marshack sarah.mattingly@dinsmore.com
Richard A Marshack (TR) pkraus@marshackhays.com, ecf.alert+Marshack@titlexi.com
United States Trustee (SA) ustregion16.sa.ecf@usdoj.gov

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) March 3, 2025, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

JGW Solutions, LLC
Jonathan Jenkins
2600 Michelson Dr., #16000
Irvine, CA 92612

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) March 3, 2025, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

JUDGE'S COPY – VIA FEDEX

The Honorable Scott C. Clarkson
U.S. Bankruptcy Court – Central District of California
Ronald Regan Federal Building and Courthouse
411 West Fourth Street, Suite 5130, Courtroom 5C
Santa Ana, California 92701-4593

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

March 3, 2025 Jamie Herald
Date *Printed Name*

/s/ Jamie Herald
Signature